

OFFICIAL USE ONLY

- AAA 9 -

CHINA: COMMUNIST  
Sept. 15, 1954

## STATISTICAL REPORT FOR 1953 ISSUED

Peking, NCNA, in English Morse to Southeast Asia, Europe, and North America, Sept. 13, 1954, 1846 GMT--W

("Statistical Bureau Report")

(Text)

Peking, Sept. 13--A communique on the development of the national economy and the fulfillment of State plans in 1953 was issued yesterday by the State Statistical Bureau of the Central People's Government of China. The full text of the communique follows:

The year 1953 was the first year of operation of China's first Five Year Plan of national economic construction. The beginning of planned national economic construction, the guidance concerning the general tasks for our country in the transitional period issued by the Central Committee of the Communist Party of China and Chairman Mao Tse-tung, the nation-wide campaign to increase production and practice economy which began in September, and the carrying out of a policy of planned purchase and supply of food since November have greatly stimulated the enthusiasm of the laboring people throughout the country for economic construction, and insured the overfulfillment of the State plans for 1953.

This has carried our country a step forward in the spheres of Socialist industrialization and of the Socialist transformation of agriculture, the handicraft industry, and in the capitalist sector of industry and commerce.

The work of 1953 in developing industrial and agricultural production, in capital construction, in the expansion of communications, transport and trade, in developing culture, education, and public health, and in improving the life of factory and office workers is summarized as follows:

## 1--The fulfillment of industrial production plans:

In terms of total value of production, the State-owned, cooperative, and joint State and privately owned industrial enterprises fulfilled their 1953 plans by 107 percent.

The breakdown figures are: the State-owned industrial enterprises, 107 percent; the cooperative industrial enterprises, 103 percent; the joint State and privately-owned industrial enterprises, 109 percent.

OFFICIAL USE ONLY

- AAA 10 -

CHINA: COMMUNIST  
Sept. 15, 1954

In terms of total value of production, the various Ministries under the Central People's Government fulfilled their industrial production targets for 1953 as follows:

The Ministry of Fuel Industry fulfilled the target by 108 percent. This included: the Electrical Administrative Bureau, 105 percent; the Coal Mining Administrative Bureau, 110 percent; Petroleum Administrative Bureau, 109 percent.

The Ministry of Heavy Industry fulfilled its target by 109 percent. This included: the Anshan Iron and Steel Company, 110 percent; the Iron and Steel Administrative Bureau, 107 percent; the Nonferrous Metals Administrative Bureau, 111 percent; the Chemical Industry Administrative Bureau, 114 percent; the Building Materials Administrative Bureau, 106 percent.

The First Ministry of the Machine Building Industry fulfilled its target by 119 percent, the Ministry of the Textile Industry by 104 percent, and the Ministry of Light Industry by 112 percent.

The industrial enterprises under the Ministry of Forestry fulfilled the target by 132 percent, the industrial enterprises under the Ministry of Railways by 107 percent, and the industrial enterprises under the Ministry of Food by 103 percent.

In most of the major industrial products the State production targets of State-owned, cooperative, and joint State and privately owned industrial enterprises in 1953 were fulfilled or overfulfilled.

This included electric power, coal, crude oil, gasoline, pig iron, steel, rolled steel, copper, lead, zinc, tin, sulphuric acid, nitric acid, caustic soda, pure soda, ammonium sulphate, ammonium nitrate, cement, plate glass, steam boilers, generators, electric motors, transformers, metal working machine tools, rotary drills, spinning frames, looms, ball bearings, hoists, locomotives, wagons, pumps, blowing engines, copper wires, bicycles, raw timber, cotton yarn, cotton cloth, gunny sacks, paper, automobile tires, rubber footwear, cigarettes, wheat flour, and matches.

The production targets of some major industrial products not fulfilled included hydraulic turbines and sugar.

In 1953, especially in the second half of 1953, various industrial enterprises improved the quality of their products considerably. Nonetheless, in some coal mines, machine-building, and light industrial enterprises, low quality or uneven quality has occurred. The range of machine products was insufficient, while some machine products were overproduced.

- AAA 11 -

CHINA: COMMUNIST  
Sept. 15, 1954

2--The growth of industrial production and expansion of the Socialist sector in industry.

In 1953, the total output in value of China's industry, excluding individual and cooperative handicrafts, was 33 percent higher than that of 1952.

The breakdown figures are: The total output in values of State-owned industrial enterprises in 1953 rose by 40 percent; the cooperative industrial enterprises--including factories subordinated to the supply and marketing cooperatives and consumer cooperatives--rose by 40 percent; the joint State and privately owned industrial enterprises rose by 42 percent--the comparable section rose by 33 percent (as sent--Ed.). The total outputs in values of private industrial enterprises also rose by over 20 percent.

Of the total output in values of China's industry in 1953, State-owned enterprises accounted for 53 percent, the cooperative enterprises and the joint State and privately owned enterprises accounted for 9 percent, and the private enterprises 38 percent.

The total output in values of individual handicraft production in 1953 went up by 17 percent compared with 1952. The number of handicraft producer cooperatives in 1953 reached 4,813--that is 43 percent higher than those registered in 1952. The total output in values of handicraft producer cooperatives in 1953 increased by 76 percent compared with 1952.

As to production values in industry and agriculture in 1953, the percentage for modern industry was about 31 percent, the handicraft workshops--about 8 percent, individual handicrafts and handicraft cooperations--about 7 percent, agriculture and subsidiary occupation--about 54 percent.

Compared with 1952, the output of China's major industrial products in 1953 reached the following percentages: electric power, 126 percent; coal, 109 percent; crude oil, 144 percent; gasoline, 140 percent; pig iron, 119 percent; steel, 131 percent; rolled steel, 134 percent; coke, 126 percent; copper, 136 percent;

Lead, 176 percent; zinc, 150 percent; tin, 109 percent; sulphuric acid, 136 percent; nitric acid, 148 percent; caustic soda, 113 percent; pure soda, 116 percent; ammonium sulphate, 125 percent; ammonium nitrate, 301 percent; cement, 135 percent; plate glass, 114 percent; steam boilers, 227 percent; hydraulic turbines, 259 percent; generators, 198 percent; electric motors, 143 percent; transformers, 168 percent;

- AAA 12 -

CHINA: COMMUNIST  
Sept. 15, 1954

Metal working machine tools, 149 percent; rotary drills, 889 percent; looms, 102 percent; ball bearings, 185 percent; hoists, 526 percent; pumps, 158 percent; blowing engines, 455 percent; copper wire, 134 percent; raw timber, 167 percent; cotton yarn, 113 percent; cotton cloth, 114 percent; paper, 115 percent; automobile tires, 117 percent; rubber footwear, 123 percent; edible oils and fats, 123 percent; sugar, 108 percent; wheat flour, 115 percent; cigarettes, 136 percent; and matches, 88 percent.

3--Improvements in the use of existing equipment, successes of new techniques, and the popularization of new working processes in State-owned industry:

Further improvements were made in the use of existing equipment in State-owned industry in 1953.

In the branch of the iron and steel industry under the Ministry of Heavy Industry, the average output per cubic meter of available volume of blast furnaces went up by 4.4 percent, and the average steel output per square meter of hearth area in open-hearth furnaces increased by 4 percent, compared with 1952.

In the power industry branch of the Ministry of the Fuel Industry, the operating rate of generating equipment rose by 9 percent; the consumption of coal per kilowatt hour of electric current was lowered by 5 percent, and line losses of power during transmission was reduced by 8.9 percent compared with 1952.

In the oil industry branch of the same Ministry, the extraction rate of shale oil rose by 4.4 percent and the recovery rate of gasoline by 3 percent compared with 1952.

All the State-owned cotton mills adopted the three-shift workday system, and the operating rate of textile equipment reached more than 95 percent.

Among important new products successfully tested in 1953 were heavy steel rail of 43 kilograms per meter, seamless tube, high-grade carbon steel, high-grade alloy structural steel, a 6,000 kilowatt hydraulic turbine generator, a 44 kilovolt and 20,000 kilovolt-ampere transformer, a heavy duty lathe with a center height of 500 millimeters, a medium-size planer with a table length of 4 meters, a radial drill capable of drilling holes of 50 millimeters in diameter, a rotary drill capable of boring to a depth of 1,000 meters, a conical crusher of 2,100 millimeters in diameter, a ball mill of 2,700 millimeters in diameter and 21,100 millimeters in length, large-size X-ray apparatus, partition paper, penicillin, procaine, and sulfaguanidine.

OFFICIAL USE ONLY

- AAA 13 -

CHINA: COMMUNIST  
Sept. 15, 1954

Various advanced experiences and new working processes continued to be popularized in State-owned industry in 1953.

Among the more notable were:

In the iron and steel industry, the advanced blast furnace operating experiences of full blast and fast traveling of the charge to cut down melting time, regular change of charging frequency to warrant the best use of gas energy, and high speed repairs continued to be popularized and pig iron output was raised.

In steel making, the Anshan Iron and Steel Company popularized the experience of fixing the raw material quota for open hearth furnaces, thus reducing the consumption rate of raw materials.

In steel rolling, the popularization of the "reverse repeater" device invented by Chang Ming-shan raised the efficiency of rolling mills.

In the machine building industry, the "universal fixture" device intended by Wang Tsung-lun has not only extended the functions of machine tools and raised production efficiency but lent impetus to a mass campaign of inventions and innovations.

In metal cutting, the cutting efficiency was greatly raised by continued popularization of the Soviet high-speed cutting method and the multicutter and multiedge cutting method introduced by foremost workers in the north-east and the wide study of the lathe turning method invented by the Soviet worker Vasili Kolesov.

In casting, a new system of division of labor was popularized, together with the advanced experiences of installing three rows of tuyeres on the cupola furnace and the pattern drop method invented by the foundry workers. There was a marked rise in labor productivity and the quality of the castings was improved.

In the coal industry, the proportion of coal output by modern methods already reached over 90 percent in State-owned collieries and the extent of mechanization of coal haulage at the working faces went up by 23 percent compared with 1952.

In the textile industry, in addition to continued application of the streamlined spinning method invented by Ho Chien-hsiu and the weaving method formulated in 1951, a new maintenance method of textile machinery formulated in 1953 was publicized. This new method reduced the breakdowns in production and raised labor productivity.

OFFICIAL USE ONLY

- AAA 14 -

CHINA: COMMUNIST  
Sept. 15, 1954

(Continued on transmission Sept. 14 at 0920 GMT--Ed.)

4--Capital construction.

There was an increase of 66 percent, compared with 1952, in total investments in capital construction.

The total investments of six of the industrial Ministries of the Central People's Government was 106 percent higher than the 1952 figure. Among them, investments of the Ministry of Heavy Industry increased by 82 percent, the Ministry of the Fuel Industry by 145 percent, and the First Ministry of the Machine Building Industry by 141 percent. Investments of all other Ministries also rose compared with 1952.

Altogether, 34 major items of industrial construction were started in 1953, of which the more notable ones were: The No. 506 high tension power transmission line, the No. 1 Motor Car Plant, and the No. 1 Cotton Mill in Peking.

In addition, there were 80 major projects of industrial construction which were started earlier and continued in 1953. They included such notable items as: the heavy rolling mill and the seamless tubing mill in Anshan, the Haichow open cut coal mine in Fuhsin, a hydroelectric station in Fengman, the measuring and cutting tool factory, the State-owned No. 2 Cotton Mill in the northwest, the Tzunai Sugar Refinery, and a paper mill in Canton.

Thirty-six major projects were completed in 1953 and have since gone into operation or partial operation. They included the heavy rolling mill, the seamless tubing mill, the No. 7 blast furnace and the No. 8 blast furnace in Anshan, the Haichow open cut coal mine in Fuhsin, a power plant in Fushun, a hydroelectric station in Fengman, the No. 2 Power Plant in Sian, and power plants in Urumchi and Chengchow.

In order to meet the demand of China's industrial construction, considerable achievements were also made, in 1953, in geological prospecting. There was considerable growth of prospecting, designing, and working capacity for capital construction.

In 1953 railway construction, 589 kilometers of track were laid for 7 railroads under construction. Of these, 182 kilometers from Lanchow to Chiuchuan were laid along the Lanchow-Sinkiang (line?). One hundred sixty-three kilometers from Chengtu to Luehyang were laid along the Paoki-Chengtu line.

In 1953 construction for the timber industry, 314 kilometers of narrow gauge forest railways were built.

OFFICIAL USE ONLY

- AAA 15 -

CHINA: COMMUNIST  
Sept. 15, 1954

In 1953's highway construction, 29 major routes were newly built or rebuilt.

Work was carried out on a total of 4,118 kilometers. Of this figure, 2,689 kilometers were completed--1,507 kilometers newly built, and 1,182 kilometers rebuilt.

In 1953's water conservancy work 23 major projects were completed. Among the more important of these were the Sanho movable dam in the lower reaches of the Huai River, the ... and navigation project along the lower reaches of the Yellow River in northern Honan Province, and the new ... outlet for the Taching and Tzeya Rivers near Tientsin. Harnessing work on the Huai River is being continued.

Major work was completed on the Kwanting Reservoir along the Yungting River near Peking. The reservoir proved itself capable of holding back an unusually heavy torrent along the Yungting River in the high water season in 1953.

The Tahofang Reservoir was started in the second half of 1953. When completed, it will keep the Liao River under control.

Buildings with a total floor space of over 30 million square meters were completed with State funds in 1953. These included factories, warehouses, offices, houses, schools, medical institutes, and army quarters. Dwelling houses with a total floor space of 12 million square meters were among those built.

#### 5--Agricultural production and technical improvement:

In 1953, considerable natural handicaps occurred in many regions, including drought in spring and excessive rain in autumn. However, owing to the active leadership by the organs of the Communist Party and of the Government at all levels, of the peasants' fight against these handicaps, the intensification of the work of popularizing scientific farming technique on the basis of further development in mutual aid and cooperation, and other good work, the gross output of grain in 1953 was still somewhat higher than in 1952.

The total output of food crops reached over 165 million tons, and of cotton over 1.7 million tons. Compared with 1952, the percentages of the outputs of major crops in 1953 follow: rice, 103; wheat, 100; soya beans, 106; cotton, 91; sugarcane, 103; sugar beet, 101; peanuts, 90; rapeseed, 92; sesame, 108; cured tobacco, 100.

OFFICIAL USE ONLY

- AAA 16 -

CHINA: COMMUNIST  
Sept. 15, 1954

In 1953, there were in the country 2,340 State farms, including 59 mechanized farms. These mechanized farms had more than 140,000 hectares of farmland, 1,621 tractors--in terms of 15 horsepower, and 352 combines.

In 1953, 11 machine and tractor stations were established at key points, on a trial basis. In addition, 30 tractor work teams were set up at agrotechnical stations and 9 tractor service teams at the State mechanized farms.

In 1953, the State issued, in agricultural loans, 12 trillion yuan--not including loans for State agricultural enterprises, loans for water conservancy work, and loans extended by local Governments, or 40 percent more than in 1952.

In 1953, there was a further development in mutual aid and cooperation in agriculture. The peasant households in mutual-aid and cooperative organizations made up about 43 percent of all the peasant households in the country. The agricultural producer cooperatives grew to over 14,000, with over 275,000 households participating. Their number was about 4 times the 1952, with the number of the participating households about 4.7 times greater. The peasant households joining the long-term mutual-aid teams accounted for some 28 percent of all the organized peasant households.

In 1953, the irrigated acreage was expanded by some 660,000 hectares as a result of the buildings or repairing of many ponds, culverts, ditches, and other projects, and the lending of 160,000 water wheels.

Animal husbandry in 1953 also developed. The total number of domestic animals, large and small, in the country, increased as compared with 1952. In round figures, cattle increased by 9 percent, horses by 7 percent, sheep by 12 percent and pigs by 6 percent.

There were in the country 83 State-owned livestock farms and livestock cross-breeding farms under the guidance of Government organs above the provincial or municipal level. They had more than 100,000 head of good strains of livestock.

In 1953, the total output of aquatic products reached over 1.89 million tons, 9 percent greater than in 1952. Of this, the output of state enterprises made up more than 113,000 tons, 30 percent above 1952.



## OFFICIAL USE ONLY

- AAA 17 -

CHINA: COMMUNIST  
Sept. 15, 1954

In 1953, the afforestation acreage in the country was further enlarged. There was a remarkable advance in afforestation carried out on the basis of mutual aid and cooperation by the mass of the people. Bigger shelter forest belts continued to be laid out in Northeast China, Inner Mongolia, Northwest China, and other areas. The acreage of shelter forest belts was extended by over 400,000 hectares, including the acreage afforested to conserve water. The shelter belts going up in eastern Honan Province and western Hopei Province began to take effect.

6--The development of communications and transport, and of post and telecommunications.

Percentage fulfillment of targets in freight volume set for State-run transport enterprises for 1953 follow:

Railways, 113; coastal areas, 111; the Yangtze and Sungari Rivers, 109; motor vehicles 86; civil air transport, 140. Percentage fulfillment of the targets in freight transport in terms of ton-kilometers follow: Railways, 122; coastal areas, 113; the Yangtze and Sungari Rivers 115; motor vehicles, 108; civil air transport, 139.

Percentage growth of freight volume handled by publicly and privately owned transport enterprises in 1953, compared with 1952, follows: Railways, 120; coastal areas, 115; river transport--steamers and barges, 156; motor vehicles, 156; civil air transport, 176.

Percentage growth of freight transport in terms of ton-kilometers, compared with 1952, follow: Railways, 129; coastal areas, 102; river transport--steamers and barges, 154; motor vehicles, 196; civil air transport, 184.

In 1953, the proportion of freight transport in terms of ton-kilometers handled by the State-owned and joint State and private owned transport enterprises, of the total handled by the State and private transport enterprises, registered an increase compared with 1952. Most of the private transport enterprises in various parts of the country accepted the unified regulation and the distribution of the goods to be handled, and followed the unified charges fixed locally.

In 1953, the national target for transport was overfulfilled as a result of the development of the national economy, the wider application of advanced Soviet experience in the various branches of transport, and the campaign for increased production and the practice of economy which was launched in the third quarter of the year.

- AAA 18 -

CHINA: COMMUNIST  
Sept. 15, 1954

However, in most places, plans concerning efficiency in the use of means of transport were not fulfilled. Some sections of the trunk lines showed inadequacy for transport capacity, and the rate of growth in their transport capacity could not fully meet the demands of the rapidly expanding national economy.

In 1953, the post and telecommunications offices and agencies grew 5 percent in number compared with 1952, with their plans for business income fulfilled 112 percent. Their business volume was 25 percent above that of 1952.

#### 7--Expansion of domestic and foreign trade.

Domestic and foreign trade expanded in 1953 on the basis of the increased output of industry and agriculture and the rise of the purchasing power of the people.

In 1953, the State-owned departments for domestic trade--including the Ministry of Commerce, the Ministry of Food, and the Ministry of Foreign trade--fulfilled their buying plans 119 percent ad valorem, a 29 percent increase over 1952. Ad valorem sales plans were fulfilled 112 percent, a 49 percent increase over 1952. The buying plans of the various trading concerns under the Ministry of Commerce were fulfilled 115 percent, a 24 percent increase over 1952. Their sales plan was fulfilled 110 percent, a 45 percent increase over 1952.

Taking 1952 as 100, purchases of staple items in 1953 were: Oil seeds, 129; sugar, 237; paper, 125; industrial equipment, 165. Sales of staple items were: Cotton cloth, 152; coal, 129; kerosene, 160; edible vegetable oil, 159; sugar, 231; paper, 144; salt, 113; industrial equipment, 168.

In the work of grain purchasing in 1953, owing to the policy of planned purchase and supply of grains put into practice by the State in November, and to the widespread publicity given the general task of the State in the transition period, among the peasants, the political consciousness of the peasant masses was raised to an unprecedented degree and they were enthusiastic in selling their surplus grain to the State.

The total amount of grain purchased by the State was 127 percent of the planned target and 29 percent more than that of 1952. The total amount of grain sold was 117 percent of the planned target and 48 percent more than that of 1952.

- AAA 19 -

CHINA: COMMUNIST  
Sept. 15, 1954

In 1953, the network of State-owned ... enterprises for the domestic market further expanded.

The total value of retail sales by the supply and marketing and consumer cooperatives in 1953 fulfilled their plans by 122 percent, a 67 percent increase over 1952. The total value of consumer goods supplied was 69 percent more than in 1952, and that of means of production supplied to the peasants was 56 percent more than in 1952.

The total value of agricultural products and subsidiary products purchased in the whole of 1953 reached 105 percent of the plan, 45 percent more than in 1952. Seventy-five percent of the total was purchased for the State, a 47 percent increase over 1952.

At the end of 1953, there were 32,313 supply and marketing cooperatives and consumer cooperatives, with a total membership of 157,750,000. Their total shares capital was 18 percent more than at the end of 1952.

The proportion taken up by State and cooperative trading concerns in the total sales volume in the domestic market was 70 percent in 1953. The State and cooperative trading concerns accounted for 38 percent of the total volume of retail sales in the markets of the eight major cities--Peking, Tientsin, Shanghai, Wuhan, Canton, Chungking, Sian, and Mukden.

The total volume of retail and wholesale sales by private trading concerns in 1953 increased by 16 percent compared with 1952.

In foreign trade in 1953, economic relationships with foreign countries continued to expand. In 1953, over 50 countries entered into trade with our country. The total volume of imports and exports in 1953 was 36 percent more than in 1952. The total volume of imports increased by 38 percent, 106 percent of the plan. The total volume of exports increased by 33, the total volume of trade with the People's Democracies was 25 percent more than in 1952.

The trade of our country with the USSR and the People's Democracies constituted 75 percent of the total volume of our foreign trade. In 1953, our trade with markets of the capitalist countries registered an increase of 52 percent compared with 1952.

OFFICIAL USE ONLY

- AAA 29 -

CHINA: COMMUNIST  
Sept. 15, 1954

Proportionately speaking, the State trading concerns accounted for 92 percent of the total foreign trade, the remaining 8 percent being that of private concerns.

8--Increase in factory and office workers, rise of labor productivity and improved livelihood of factory and office workers.

In 1953, the number of factory and office workers increased in all economic departments. At the end of 1953, the total number of factory and office workers was over 13,740,000, about 15 percent more than 1952.

Among them, those who were working at State, cooperative, and joint State and privately owned industrial enterprises were 3,890,000 in number, 21 percent more than in 1952. In the State-operated and joint State and privately owned communication and transportation, postal, and telecommunication services, the number of workers and employees was 776,000, 12 percent more than in 1952.

In the State and cooperative trading concerns, the number of workers and employees was 1,500,000--including 840,000 in the cooperative trading concerns--12 percent more than in 1952. In the State and joint State and privately owned financial establishments, the number of workers and employees was 377,000, 9 percent more than in the previous year.

Those working in the State-operated agricultural and forestry departments numbered 185,000. Among them, those who were working in the agricultural departments were 13 percent more than in 1952.

The labor productivity of the workers in the State and joint State and private big-scale industrial enterprises--the comparable section--in 1953 increased by 13 percent over 1952. Among them, productivity in power rose by 12 percent, in coal by 16 percent, in petroleum by 17 percent, in iron and steel by 16 percent, in nonferrous metals by 16 percent, in machine-building by 21 percent, in chemicals by 26 percent, in rubber goods by 13 percent, and in textiles by 10 percent.

The annual average real wages of the workers and employees in the State and joint State and private industrial enterprises in 1953 increased by 5 percent compared with 1952.

OFFICIAL USE ONLY

- AAA 21 -

CHINA: COMMUNIST  
Sept. 15, 1954

The number of enterprises that have put labor insurance into practice reached 4,802, a 22 percent increase over 1952. The workers and employees enjoying labor insurance numbered 4,830,000, an increase of 46 percent compared with 1952. In 1953, labor insurance funds amounted to 40 percent more than in 1952.

9--Achievements in cultural and educational work.

There were further achievements in the fields of culture and education in 1953 as a result of the reorganization and strengthening of existing institutions, advances in selected fields, and over-all improvement in quality of work.

Over-all reorganization of universities and colleges, in the main, was completed in 1953. Reform in teaching methods was continued, and as a result improvement was noted in teaching. In order to train personnel for economic construction, engineering institutes were reorganized and strengthened. In addition, the Peking Petroleum, the Central-South China Engineering, and the Central-South China Civil Engineering Institutes were founded. (To Be Continued--Ed.)

INITIAL RESULTS OF FIVE YEAR PLAN NOTED

Peking, NCNA, in English Morse to Southeast Asia, Europe, and North America, Sept. 14, 1954, 2040 GMT--W

(Text)

Peking, Sept. 14--Commenting on the results of the first year of China's First Five Year Plan, as revealed in a communique released by the State Statistical Bureau of the Central People's Government, the Peking PEOPLE'S DAILY declares today that they mark a big stride forward in the country's Socialist construction and Socialist transformation.

First of all, the paper says, modern industrial production last year rose in value from 28 percent in 1952 to 31 percent of the total output of industry and agriculture. The total output of China's industry went up in value by 33 percent compared with 1952, the output of State industry increasing by 40 percent. Agricultural output was somewhat higher than in 1952 despite natural calamities.

Secondly, the paper goes on, a growth of the Socialist economic forces was achieved. State industry accounted for 53 percent of the total value of industrial output in 1953 as compared with 51 percent in 1952.

- AAA 22 -

CHINA: COMMUNIST  
Sept. 15, 1954

Cooperative and joint State-private industry accounted for 9 percent in 1953 as compared with 8 percent in 1952. The number of handicraft cooperatives rose by 43 percent over the previous year and their total output by 76 percent. The number of agricultural cooperatives rose from 3,663 in 1952 to 14,900. State-owned and cooperative enterprises handled 70 percent of the total volume of wholesale trade as against 64 percent in 1952.

The third improvement was a rise in living standards for the entire people. Real wages of personnel in State-owned and joint State-private industrial enterprises went up by 5 percent compared with 1952. Twelve million square meters of housing were built by the State for the workers.

The peasants received a sum of 12 trillion yuan in the form of State loans and 56 percent more in means of production than in the previous year through supply and marketing cooperatives.

Dealing with the achievements in the first half of this year, the paper points out that capital construction completed by 15 ministries was 57 percent above that finished in the corresponding period in 1953 (as transmitted--Ed.). During the first half of the year also, the five industrial ministries completed 52 percent of their output targets for this year.

In the field of agriculture, this year's wheat yield exceeded last year's by over 20 percent and in most parts of the country rich summer harvests were gathered. Due to the heaviest rainfall in 200 years over a considerable area, however, this year's autumn harvests have been affected.

In order to achieve continued success in economic construction, the PEOPLE'S DAILY outlines several measures to be taken. Industrial output must be raised greatly in both quantity and quality. This should be attained through improved management and administration, perfection of the responsibility system, expansion of the technical improvements and innovations campaign and other means.

Energetic efforts should be made in the areas not affected by excessive surface water or flooding to raise the per hectare yield so as to make good the losses sustained in the affected areas. Drainage, salvaging of young crops, and replanting should be speedily carried out and more land put to high-yield late autumn crops in the lightly affected areas. Where replanting is impossible, side occupations should be promoted.

OFFICIAL USE ONLY

- AAA 23 -

CHINA: COMMUNIST  
Sept. 15, 1954

At the same time, the PEOPLE'S DAILY stresses the continuance of the Socialist transformation of agriculture, handicrafts, and capitalist industry and commerce in order to raise output and better serve the needs of the country. Other measures include the expansion of trade turnover, the continued stabilization of commodity prices, and the practice of economy.

These measures, concludes the PEOPLE'S DAILY, will insure fresh achievements in the execution of the first Five Year Plan.

#### DAILY URGES FULFILLMENT OF 1954 PLAN

Peking, Chinese Home Service, Dictation in Mandarin, Sept. 14, 1954,  
1510 GMT--W

(Text)

Peking--The PEOPLE'S DAILY on Sept. 14 published an editorial entitled: "Continue Forward on the Foundation of the Victorious First Year of the Five Year Plan."

The editorial stated: "The great achievements of the first year of our country's Five Year Plan were recorded in the communique on the development of the national economy and fulfillment of State plans in 1953 issued by the State Statistical Bureau of the Central People's Government. These achievements signify the further development of our country's industries, Socialist economic power, and Socialist transformation.

"We absolutely should not be conceited or self-complacent just because of these achievements. We must not only strive to transform our country from an agricultural country to an advanced Socialist industrialized country but keep up the bitter and difficult struggle.

"The present concrete tasks are to strive for the over-all fulfillment and overfulfillment of the State 1954 plan and to perform well the following work:

"1--Strive vigorously to increase production and to raise the quality of products.

"In industry, the various organs should, on the basis of the conditions of supply, production, and sale, adopt concrete measures to energetically fulfill and overfulfill State plans.

"In agriculture, the broad areas not affected by flood must strengthen their work of flood-prevention and protection of autumn crops, endeavor to raise the output per unit area to replace the losses in flooded areas, and strive to overfulfill the increased agricultural production plan of this year.

TIN

OFFICIAL USE ONLY

- AAA 24 -

CHINA: COMMUNIST  
Sept. 15, 1954

"In waterlogged areas, the water must be speedily cleared and young shoots **protected** and replanted; more high-yielding late autumn crops should be planted; and, in case of non-arable land, the peasants should aptly undertake side occupations.

"2--Carry out intensively the Socialist transformation of agriculture, of the handicraft industry, and in the capitalist sector of industry and commerce, and develop their hidden potential to increase Socialist production.

"3--Continue to expand the interflow of merchandise and stabilize the market.

"Commercial enterprises of the State and cooperatives should conscientiously perform well and continue to strengthen the work of planned purchase and planned supply.

"Intensively organize the work of purchasing grain, industrial raw material, and supplementary food to insure smooth operation of industrial construction and production; and intensively organize the work of supplying means of production and materials for livelihood to the peasants, and marketing the products of secondary occupation of the peasants.

"4--Rigidly practice austerity, which is an important regular political duty of the people in the whole country. This applies particularly to food in this year, because a part of the country affected by floods may not be able to fulfill its planned production targets. Therefore the meaning of practicing austerity becomes significant.

"As long as we perform this work well, we will continue to move forward successfully on the foundation of the victorious first year of the Five Year Plan."

KUO MO-JO CITES FIVE YEAR ACHIEVEMENTS

Peking, NCNA, in English Morse to Southeast Asia, Europe, and North America, Sept. 14, 1954, 2115 GMT--W

(Text)

Peking, Sept. 14--Kuo Mo-jo, chairman of the China Peace Committee, reviews China's achievements in the past 5 years in the new issue of PEOPLE'S CHINA.



AAA 25

CHINA: COMMUNIST  
Sept. 15, 1954

Describing the rapid progress in China's Socialist industrialization, Kuo Mo-jo says that the output of modern industry in 1953 accounted for 31 percent of the total value of output of all industry and agriculture as against 17 percent in 1949. In 1954, the output value of modern industry will be 18.3 percent higher than in 1953.

By spring this year, there were already 95,000 agricultural producer cooperatives with a membership of over 1.7 million peasant households. Together with the members of mutual-aid teams, they made up about 60 percent of all peasant households in China. The mutual-aid and cooperative farming, the only road to common prosperity, is developing on the basis of land reform completed in 1952.

Other achievements Kuo Mo-jo lists include the rapid advance in people's democracy and the great unity between the various nationalities. By the end of May 1954, 58 national autonomous regions of and over county status were set up throughout the country.

"Socialist construction and peace are indivisible," declares Kuo Mo-jo, "the large-scale construction on which we have embarked assuredly demands an atmosphere of lasting peace. The Chinese people love peace. Because we, the Chinese people love peace, we resolutely oppose aggression."

He described how the American imperialists are shielding the traitorous Chiang Kai-shek clique on Taiwan and using this Chinese island to make harassing and destructive raids on China and to prepare for extended armed aggression. "To liberate Taiwan, to eliminate the Chiang Kai-shek clique, is the sacred task of the Chinese people. It is China's own internal affair. We will tolerate no outside interference. To liberate Taiwan is to defend the peace of Asia and the world," he stresses.

Another article in PEOPLE'S CHINA deals with the first fruits of the first Five Year Plan.

On the eve of the first session of the first National People's Congress--supreme organ of State power of the People's Republic of China--the article, "All Power Belongs to the People," is carried to explain the significance of the People's Congress. How a group of Shanghai workers discusses the Draft Constitution forms the contents of the article, "Our Constitution."

The article, "World Youth for Peace and Independence," describes the Council of the World Federation of Democratic Youth which met in Peking last month. Noted writer Lao Sheh's "Life, Study, and Work" is published in this issue.

OFFICIAL USE ONLY

AAA 26 -

CHINA: COMMUNIST  
Sept. 15, 1954

It also carries two feature articles: One portraying how a village in Hopei Province is advancing to prosperity through the road of mutual aid and cooperation and another describing the labor enthusiasm of young engineers engaged in building the bridge across the Han River.

PEOPLE'S DAILY HAILS COTTON DECISION

Peking, NCNA, in English Morse to Southeast Asia, Europe, and North America, Sept. 14, 1954, 1817 GMT--W

(Text)

Peking, Sept. 14--Commenting on the orders of the Government Administration Council on the planned purchase and supply of cotton cloth and planned purchase of cotton today, the PEOPLE'S DAILY says editorially that the measures aim to ensure all necessary supplies of cotton and cotton cloth, safeguard the State's planned production and distribution of cotton cloth, and eliminate speculation and stabilize prices.

The measures are taken because the growth in the consumer demands has distanced the swift rise in production of cotton and cotton cloth, the editorial points out.

In the past few years, the output of both cotton and cotton cloth has been rapidly increasing. But the purchasing power of the people has been growing still more rapidly. The editorial adds that the State at present still has ample stores of cloth, but measures have still to be taken in preparation for the future.

The revolution has brought about the growth in people's purchasing power, particularly since 1953, when the country's large-scale economic construction was launched, the paper states. Following the development in the country's construction, the purchasing power of society will be raised still higher. Fundamentally, the only way to solve the conflict between supply and consumption is to carry out Socialist industrialization.

Referring to planned purchase and **supply** of cotton cloth and planned purchase of cotton, the editorial says that there are many advantages in carrying out these measures. First, the total supply of cloth by the State this year is expected to be more than last year's. This amount of cloth, to be supplied by the State according to plan, can entirely ensure the basic demand of the people.

- AAA 23 -

CHINA: COMMUNIST  
Sept. 16, 1954

While celebrating the enactment and promulgation of the Constitution, Liu Shao-chi concluded, all nationalities of our country must continue to strengthen their unity and make further efforts, along the path mapped out by the Constitution and under the leadership of the Communist Party of China headed by Chairman Mao Tse-tung, to insure the thorough implementation of the Constitution and build our land into a great Socialist country.

Today's meeting closed at 7:25 p.m. The Congress will continue its work tomorrow afternoon.

- 0 -

INDONESIAN ART GROUP--The Indonesian Art Group left Nanking for Shanghai Sept. 14. (Peking, NCNA, English, Sept. 15, 1954, 1817 GMT--W)

RUMANIAN FOLK ORCHESTRA--The Rumanian Folk Orchestra led by Cirjan Constantin left Kungming for Canton Sept. 14 after a three-day visit. (Peking, NCNA, English, Sept. 14, 1954, 1819 GMT--W)

SOVIET SWIMMING TEAM--The Visiting Soviet Swimming Team left Peking for home Sept. 15. They came to China at the invitation of the Commission of Physical Culture of the Central People's Government and took part in friendly contests in Canton, Shanghai, and Peking. The Soviet swimmers were seen off at the airport by leading members of the Commission of Physical Culture. (Peking, NCNA, English, Sept. 15, 1954, 1820 GMT--W)

CPV SENDOFF--The first group of Chinese People's Volunteers' units returning home was given a big ovation at the Pyongyang Railway Station by thousands of people representing all sections of the Pyongyang population when the train passed through on the evening of Sept. 14. (Peking, NCNA, English, Sept. 15, 1954, 2311 GMT--W)

SECOND NATIONAL ART EXHIBITION--Local art exhibitions have been held in various parts of the country to select entries for the Second National Art Exhibition. They include traditional Chinese style paintings, oil and water colors, sketches, new year posters, cartoons, picture serials, illustrations, graphic art, and sculpture. The Second National Exhibition, sponsored by the Union of Chinese Artists, will be held in Peking in December, and later will be shown in other leading cities. (Peking, NCNA, English, Sept. 16, 1954, 0920 GMT--W)

OFFICIAL USE ONLY

- AAA 24 -

CHINA: COMMUNIST  
Sept. 16, 1954

STATISTICAL REPORT FOR 1953 ISSUED

Peking, NCNA, in English Morse to Southeast Asia, Europe, and North America,  
Sept. 14, 1954, 1400 GMT--W

(Conclusion of 1953 Economic Plan)

(Text)

In 1953, there were a total of more than 4,200 postgraduates and over 212,000 undergraduates in higher educational institutes throughout the country, showing an 11 percent increase over 1952.

Of these, engineering students made up 37.7 percent, students studying to be teachers 18.8 percent, medical students 13.7 percent, students of arts 6.5 percent, students of science 5.8 percent, students of agriculture 6 percent, and the rest 11.5 percent.

There was a total of over 3,628,000 students in the country's middle schools in 1953, or 15 percent more than 1952. Of these, students in workers and peasants middle schools increased by 37 percent, and students in specialized secondary schools increased by 18 percent.

Reorganization and improvement of primary schools throughout the country was also started in 1953. The number of pupils totaled 51.5 million, excluding peasants attending the spare-time classes.

In the field of workers and peasants spare-time education, considerable success was obtained in 1953 in the reform of the teaching systems and methods, and the improvement of teaching efficiency.

The Chinese Academy of Sciences had 34 scientific institutes under it in 1953, with 53 percent more research workers than in 1952.

In 1953, public hospitals under the Ministry of Public Health had a total of 154,000 beds, or 18 percent more than in 1952. These included 10,400 beds in sanatoria, or a 25 percent increase over 1952. Hospitals under six industrial ministries of the Central People's Government, the Ministry of Railways, and the All-China Federation of Trade Unions had a total of 38,300 beds, 43 percent of which belonged to sanatoria. The above-mentioned seven ministries and the All-China Federation of Trade Unions had also 8,900 beds in spare-time rest homes.

OFFICIAL USE ONLY

- AAA 25 -

CHINA: COMMUNIST  
Sept. 16, 1954

Preliminary success was obtained in promoting sports for the masses in 1953. A total of 243 sports meets of provincial or city level and upwards were held in 1953 with 140,000 athletes taking part.

There were 783 cinemas in the country in 1953. There were 2,254 film projection teams visiting factories, mines, and villages. Cinema audiences totalled over 750 million persons in 1953.

There were a total of 2,442 palaces of culture throughout the country in 1953, providing more cultural and recreational activities and public information to the masses than before.

After reorganization, State Dramatic Companies numbered 148 in 1953. They have already started a series of theatrical tours to factories, mines, villages, and construction sites. More guidance and direction were provided for private professional dramatic companies.

A National Fine Arts Research Institute and a National Music Research Institute were founded in 1953 to strengthen study and restore traditional national arts.

Appropriate progress was made in people's radio broadcasting in 1953.

In publishing, achievements were obtained in improving the quality of books and magazines in 1953. A total of 748 million copies of books were published in 1953. Of these, more than 7.6 million volumes were printed in languages of the national minorities.

There were 260 newspapers of regional level and upwards with a total circulation of 1,683,900,000 copies in 1953. There were 277 different magazines with a total circulation of 171,530,000 copies.

(Editor's Note: On Page AAA 15 last paragraph, second line, of the Sept. 15, 1954 DAILY REPORT the figure for cotton production should read 1.1 million tons instead of 1.7 million as given.)

AUGUST OUTPUT VALUE PLAN OVERFULFILLED

Peking, Chinese Home Service, in Mandarin, Sept. 14, 1954, 2230 GMT--B

(Text)

Peking--The Ministries of Heavy Industry, Fuel Industry, the First Machine-tool Industry, Textile Industry, and Light Industry of the Central People's Government overfulfilled the August plan in output value by an overall total of one percent.

OFFICIAL USE ONLY

- AAA 26, 1954 CHINA: COMMUNIST  
Sept. 16, 1954

Most of the forty seven major products of these five ministries of industries also succeeded in the quantitative fulfillment or overfulfillment of their August plans.

During these last few months, These five ministries will strive for total fulfillment and overfulfillment of the State plans, not only in the qualitative and quantitative production, but also as to costs, finance, labor, and other aspects.

NEW BUILDINGS ARE COMPLETED IN PEKING

Peking, NCNA, in English Morse to Southeast Asia, Europe, and North America, Sept. 16, 1954, 0910 GMT--W

(Text)

Peking, Sept. 15--A million square meters of floor space have just been added to Peking by the completion so far of building projects started early this year. Work on remaining projects is proceeding at a fast pace.

The newly-built Hsin Chiao Hotel and the expanded International and Peking Hotels are now ready to receive foreign and Chinese delegates coming for the October First National Day celebrations.

School buildings account for a quarter of the city's 1954 construction projects. Three new buildings have been added to the Peking University, while new dormitories totalling 18,000 square meters in floor space are now nearing completion at Tsinghua University. Twenty new secondary and primary schools have been built for the current school year, while another 160 are being expanded.

To meet the growing demand of consumers residing in the new settlements in the industrial, residential, and school districts in the Peking outskirts, cooperative and four department stores have been built in the suburbs.

Highways leading to the Summer Palace and the northeastern suburbs have just been paved. Another highway connecting the city and the suburban educational centers will be finished around Oct. 1. This is only part of over 50 projects undertaken by the city's Public Works Departments.

The Asian Students Sanatorium and the new building for the Tung Jen Hospital are expected to be completed shortly.